

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): April 13, 2023

**Red Cat Holdings, Inc.**

(Exact name of registrant as specified in its charter)

**Nevada**  
(State or other  
jurisdiction of incorporation)

**001-40202**  
(Commission  
File Number)

**86-0490034**  
(I.R.S. Employer  
Identification No.)

**15 Ave. Munoz Rivera Ste 2200**  
**San Juan, PR 00901**  
(Address of principal executive offices) (zip code)

**(833) 373-3228**  
(Registrant's telephone number, including area code)  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.001	RCAT	The Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## Section 1 – Registrant's Business and Operations

### Item 1.01 Entry into a Material Definitive Agreement.

On November 21, 2022, Red Cat Holdings, Inc., a Nevada corporation (the "Company"), Unusual Machines, Inc., a Puerto Rico corporation ("Unusual") and Jeffrey Thompson, the founder and Chief Executive Officer of the Company (the "Principal Stockholder"), entered into a Stock Purchase Agreement (the "SPA") for the purchase and sale of the Company's consumer business consisting of recreational and hobbyist drones, first-person-view goggles, and as a licensed authorized reseller.

On March 31, 2023, the SPA was amended (the "Amendment"). Under the Amendment, the cash consideration payable at closing was reduced to \$3.0 million, as may be adjusted for working capital on the closing date (increased for positive working capital and decreased for negative working capital), and the non-cash consideration adjusted to provide for payment of \$17 million in shares of Unusual's common stock, par value \$0.01 per share (the "Unusual Common Stock") issued at the initial public offering price for the Unusual Common Stock. The Amendment also revised the termination date of the Agreement to June 12, 2023. Under the Amendment, the prior agreement to issue \$2.5 million in convertible senior secured notes of Unusual plus \$11.5 million in Series A convertible preferred stock of Unusual were eliminated. Accordingly, the beneficial ownership blockers and post-closing anti-dilution protections were also eliminated. All of the Unusual Common Stock will be subject to a lock-up of 180 days and be eligible for registration under the Securities Act of 1933, as amended. Closing date working capital, and any adjustment of the cash portion of the purchase price, will be estimated at closing and subject to review by the parties following the closing. The Company estimates that working capital at closing will range between \$2.0 to \$4.5 million.

On March 30, 2023 Unusual waived the provisions of Section 8.07 of the SPA “*No Solicitation*” in order to allow the Company to engage an investment banking firm in order solicit alternative bidders and the Company has engaged an investment banker to shop the transaction to third parties. On March 31, 2023, the Company engaged WaveCrest Securities LLC and agreed to a fixed fee of \$25,000, plus \$5,000 per month commencing May 5, 2023, and a six (6%) percent success fee, plus reimbursement of expenses, upon closing of an alternative transaction. No success fee will be payable to Wavecrest in connection with an Unusual closing.

On March 8, 2023, shareholders representing a majority of the disinterested voting capital stock of the Company approved the sale to Unusual, including any amendments to the SPA, with Mr. Thompson abstaining from the vote.

Unusual filed a registration statement on Form S-1 for an initial public offering of its Common Stock with the SEC on December 14, 2022, as amended March 14, 2023. Under the Amendment, Unusual is required to deposit \$1.0 million cash with the Company upon effectiveness of the registration statement with the SEC.

On April 13, 2023, we entered into an Amended and Restated Amendment to the SPA (the “Amended and Restated Amendment”). The Amended and Restated Amendment contains provisions identical to those in the Amendment signed March 31, 2023, with the additional provision that the required minimum amount of Unusual’s initial public offering has been reduced from \$15 million to \$10 million.

## Section 9 – Financial Statements and Exhibits

### Item 9.01. Financial Statements and Exhibits.

<b>Exhibit No.</b>	<b>Description</b>
<u>10.1</u>	<u>Amended and Restated Amendment No. 1 to Share Purchase Agreement with Unusual Machines, Inc.</u>

### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

#### RED CAT HOLDINGS, INC.

Dated: April 14, 2023

By: /s/ Jeffrey Thompson  
Name: Jeffrey Thompson  
Title: Chief Executive Officer

**AMENDED AND RESTATED AMENDMENT NO. 1 TO  
SHARE PURCHASE AGREEMENT**

This AMENDED AND RESTATED AMENDMENT NO. 1 TO SHARE PURCHASE AGREEMENT (this “Amendment”), dated April \_\_, 2023, is by and among Unusual Machines, Inc., a Puerto Rico corporation (“Unusual”), Red Cat Holdings, Inc., a Nevada corporation (“Red Cat”), and Jeffrey Thompson, an individual, (the “Principal Stockholder,” and together with Unusual and Red Cat, the “Parties”).

WHEREAS, the Parties entered into a Share Purchase Agreement as of November 21, 2022 (the “Agreement”); and

WHEREAS, the Parties desire to amend the Agreement to (A) reflect a revision to the Purchase Price set forth in Section 2.01 of the Agreement and, (B) extend the End Date in Section 11.02(a) of the Agreement and to further amend the Agreement to lower the minimum amount of the Offering from \$15.0 million to \$10.0 million.

NOW, THEREFORE, the Parties, each intending to be legally bound hereby, do mutually covenant and agree as follows, subject to and effective as of the Effective Time (as defined below):

1. Section 2.01 of the Agreement is hereby amended and restated as follows:

**“Section 2.01 Purchase and Sale.** At the Closing, Red Cat agrees to sell to Unusual 100% of the Target Companies’ Capital Stock owned by Red Cat in exchange for a Purchase Price of \$20.0 million (the “**Purchase Price**”) consisting of (a) \$3.0 million in cash plus the amount of any Agreed Working Capital, if any (the “**Cash Consideration**”) at the Closing (subject to adjustment as provided in Section 2.04(c) for the amount of working capital balance, if any, on the Closing Date) (the “**Final Working Capital**”), and (b) \$17.0 million of shares of Unusual’s Common Stock, par value \$0.01 (the “**Unusual Common Stock**”). The number of shares of Unusual Common Stock to be issued to Red Cat shall be based upon the initial public offering price for the Unusual Common Stock. The Cash Consideration and the Unusual Common Stock are collectively referred to herein as the “**Consideration**”. The allocation of the Purchase Price as between the acquisition of Fat Shark Holdings, Ltd and the acquisition of Rotor Riot (the “**Purchase Price Allocation**”) shall be mutually agreed upon prior to the Closing (as defined below) in accordance with the following procedures. Within 45 days following the Closing, Red Cat shall provide Unusual with a detailed written statement with its proposed calculation of the Purchase Price Allocation. Unusual shall have 15 days after its receipt of the proposed Purchase Price Allocation to agree or disagree with such calculation. If Unusual disagrees with such calculation and Unusual and Red Cat are unable to finally resolve such dispute within 30 days after Unusual’s receipt of the Purchase Price Calculation, then the dispute shall be resolved by a nationally-recognized accounting firm that is reasonably acceptable to Unusual and Red Cat (the “**Independent Accounting Firm**”). ”

2. Section 11.02(a) is hereby amended and restated as follows:

“(a) if the Purchase and Sale has not been consummated on or before June 12, 2023 (the “**End Date**”); provided, however, that the right to terminate this Agreement pursuant to this Section 11.02 shall not be available to any Party whose breach of any representation, warranty, covenant, or agreement set forth in this Agreement has been the principal cause of, or that resulted in, the failure of the Purchase and Sale to be consummated on or before the End Date;”

3. As a result of this Amendment, all closing conditions related to Unusual’s execution and delivery of the Unusual Note, the Unusual Preferred Stock, the Security Agreement, the Registration Rights Agreement and the filing of the Certificate of Designation are hereby deleted.

4. Unusual hereby agrees to register the Unusual Common Stock to be received by Red Cat as part of the Consideration in the Registration Statement prior to the Registration Statement being declared effective by the SEC; provided, however, Red Cat shall execute and deliver a Lock-Up Agreement for 180 days or such lesser period as may be agreed upon by the managing underwriter for Unusual’s initial public offering.

5. Upon the Registration Statement being declared effective by the SEC, Unusual shall deposit \$1.0 million in cash with a mutually agreed upon escrow agent pursuant to a mutually acceptable escrow agreement with the proceeds to be applied toward the Cash Consideration at the Closing, subject to the terms and conditions of such escrow agreement.

6. The parties agree that the minimum amount of the Offering in the Agreement shall be reduced from \$15.0 million to \$10.0 million.

7. In the event of any conflict between the Agreement and this Amendment, the terms as contained in this Amendment shall control. In all other respects the Agreement is hereby ratified and confirmed.

8. This Amendment may be executed in one or more counterparts, each of which shall be deemed to be one and the same agreement. Facsimile and electronic signatures shall be treated in all respects and for all purposes as originals.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

**UNUSUAL MACHINES, INC.**

a Puerto Rico corporation

By: /s/ Brandon Torres Declet

Name: Brandon Torres Declet,

Title: Chief Executive Officer

**RED CAT HOLDINGS, INC.**

a Nevada corporation

By: /s/ Joe Freedman

Name: Joe Freedman

Title: Lead Director

**PRINCIPAL STOCKHOLDER:**

/s/ Jeffrey Thompson

**Jeffrey Thompson**